

COLLECTIVE AGREEMENT

BETWEEN

SANDEL FOODS INC.

AND

TEAMSTERS LOCAL UNION No. 213

June 1st, 2006 - May 31st, 2009

**DON MCGILL
Secretary-Treasurer**

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SANDEL FOODS**

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THIS AGREEMENT entered into this day of , 2006.

BETWEEN: **SANDEL FOODS INC.,**
13408 Comber Way,
of the City of Surrey,
Province of British Columbia;

(hereinafter referred to as the "Employer")

PARTY OF THE FIRST PART

AND: **TEAMSTERS LOCAL UNION No. 213,**
affiliated with the International
Brotherhood of Teamsters, of the City
of Vancouver, Province of British Columbia;

(hereinafter referred to as the "Union")

PARTY OF THE SECOND PART

1. BARGAINING AGENCY AND DEFINITION

1.01 The Employer recognizes the Union as the sole collective bargaining agency of all employees as set out in the Certificate of Bargaining Authority.

1.02 The term employee as used in this Agreement shall apply to any person performing work in any job which is covered by the Certificate and/or this Agreement.

1.03 All work within the bargaining unit shall be performed only by those employees coming within the bargaining unit who are members of the Union as prescribed herein, or who are eligible to become members under Article Three (3) herein. No work which the employees perform or can perform shall be sub-contracted or contracted out in any manner which would cause the lay-off of any regular full time employee.

1.04 No person outside of the bargaining unit shall perform work coming within and covered by the bargaining unit if such work would cause displacement of any regular full time employee.

2. DURATION OF AGREEMENT

2.01 This Agreement shall be for the period from and including June 1st, 2006, to and including May 31st, 2009. Either party to this Agreement may, within four (4) months immediately preceding May 31st, 2009, give the other party written notice to commence collective bargaining.

2.02 After expiry of the term of this collective agreement, and subject to the limitations necessarily resulting from the exercise of the rights of the parties under Part 5 of the Industrial Relations Act of British Columbia, including the

right to strike or lockout, the terms and conditions of employment as set out in this Agreement will be observed and not varied except by the parties' mutual consent during the period that the Union remains the bargaining agent for employees identified in this Agreement.

2.03 It is mutually agreed that the operation of sub-section 2 of Section 50 of the Labour Relations Code of British Columbia is specifically excluded from operation in this Agreement.

3. UNION SECURITY

3.01 The Union recognizes the right of the Employer to hire whomever he chooses, subject to the seniority provisions contained herein. The Employer shall give the Union first opportunity to refer applicants for employment.

3.02 The Employer agrees that when he hires new employees, the Employer shall have such new employees fill in the required Union Membership and Death Benefit cards prior to commencing work, and mail same in to the Union office immediately.

3.03 All employees shall be required to be a member of the Union as a condition of employment with the Employer.

3.04 Should any employee covered by the bargaining unit cease, or refuse to become a member in good standing of the Union, the Employer shall upon notification from the Union, discharge such employee.

4. DEDUCTION OF DUES, ETC.

4.01 The Union shall each month mail to the Employer a checkoff form in duplicate, setting out the name of each employee in the Union and the amounts of dues, etc. they owe. The Employer shall delete any names from such list of employees who have terminated since the previous list and shall also add the names of any new employees.

4.02 All employees shall be required to sign authorization for checkoff of Union dues, fees, fines and assessments which may be levied by the Union in accordance with the Constitution and/or By-Laws. Such checkoff shall be irrevocable.

4.03 The Employer shall deduct and pay over to the Secretary-Treasurer of the Union, any monthly dues, fees, fines and assessments levied in accordance with the Union's By-Laws owing by said employees hereunder to the said Union. Monies deducted during any month shall be forwarded by the Employer to the Secretary-Treasurer of the Union not later than the tenth (10th) day of each following month, and one (1) copy of the checkoff list as above mentioned.

5. UNION ACTIVITIES OF EMPLOYEES AND LEAVE OF ABSENCE

- 5.01 The Employer shall allow time off work without pay except as otherwise stipulated in this Agreement, to any employee who is serving as a Union delegate to any conference or function, provided all requests for such time off are reasonable and do not interfere with the proper operation of the business and there shall be no more than one (1) employee in the bargaining unit absent at any one time for this purpose.
- 5.02 During authorized leave of absence, an employee shall maintain and accumulate seniority.
- 5.03 When an employee suffers an injury, whether on the job or not, or suffers any illness preventing him from reporting to work, he will automatically be granted leave of absence, without pay, except as otherwise stipulated in this Agreement, until such time as he can properly return to work. The Employer may request a doctor's certificate and, if so, such request shall be made to the employee prior to his return to work. Such absence shall not exceed twelve (12) months except by mutual agreement.
- 5.04 If an employee desires a leave of absence for reasons other than those referred to above, he must obtain permission, in writing, for the same from the Employer and the Employer will send a copy of same to the Union. However, no legitimate and reasonable request for a leave of absence will be denied.
- 5.05 When an employee suffers an injury or illness which requires his absence, he shall report the fact to the Employer. It is intended that this report be made prior to the employee's starting time if possible. Employees must keep the Employer notified of their correct address and phone numbers at all times.
- 5.06 In the case of death in the immediate family, the employee affected shall be granted compassionate leave of absence with full pay for three (3) days. Immediate family means: husband, wife, mother, father, children, sister, brother, step-parents, step-children, step-sister, step-brother, mother-in-law and father-in-law. In the case of , sister-and brother-in-law, grandparents, and grandchildren, paid leave shall be limited to one (1) day.
- 5.07 All time lost by an employee due to necessary attendance on jury duty or any court proceedings, where subpoenaed as a witness shall be paid at the rate of pay applicable to the employee. Any employee on jury duty or witness duty shall make himself available, where practicable, for work on a work day before and/or after being require for such duty. Upon completing jury duty or witness duty, an employee shall be returned to the job classification and rate of pay he was on prior to such duty. All jury duty pay or witness payments received by the employee from the court or otherwise shall be reimbursed to the Employer by endorsation of the jury duty cheque(s) and/or witness fees to the Employer.

5.08 When any employee hereunder is either elected or appointed to a full time job, with the Union, he shall be granted leave of absence for a period of up to six (6) consecutive months.

5.09 Parental Leave - As per Employment Standards

5.10 Family Leave - As per Employment Standards

6. SHOP STEWARDS

6.01 There shall be two (2) Shop Stewards appointed, if the Union wishes, to see that the provisions of this Agreement are adhered to.

6.02 The Shop Steward shall have no authority to alter, amend, violate, or otherwise change any part of this Agreement.

6.03 The Employer will recognize the Shop Steward selected in accordance with the Union rules and regulations as the representative of the employees in the respective groups or departments for which they are chosen, and hereby recognizes that the power to appoint and removal thereof is solely vested with the Union.

6.04 The Union will advise the Employer of the identity of the Shop Steward(s) and will give notice within twenty-four (24) hours of any new appointment or removal thereof.

6.05 Shop Stewards will be allowed to take up grievances during working hours without loss of pay after notifying management and provided operations will not be unnecessarily delayed.

7. WORK CLOTHES, UNION PRODUCTS AND SERVICES

7.01 The Employer shall provide and maintain for each employee, free of charge, the following: -

(a) For Cooks employed in the pie-filling operations, the Employer shall provide three (3) changes of white pants and shirts per week; maintenance employees shall be provided with three (3) changes of coveralls per week and the Employer shall pay for such cleaning. All other plant employees shall be provided with whites to a maximum of six (6) uniforms. Female employees may opt to wear smocks.

(b) The Employer shall supply plastic aprons as required.

(c) The Employer shall supply any safety equipment as required by the Workers' Compensation Board without charge.

(d) The Employer shall provide to all full time employees who have completed the probationary period, a cash amount to a maximum of one hundred dollars (\$100.00) non-taxable per calendar year for

safety shoes upon employees submitting a receipt. Safety shoes must be worn at work.

- (e) Wherever they are required to be used on the job, the Employer shall supply, free of charge, rubber clothes, rubber boots and gloves.

8. UNION NOTICES

8.01 The Employer agrees to provide space that is readily accessible for Official Union notices and there shall be no interference by the Employer with said Notice Board.

The Employer shall be responsible for the posting of an up to date Seniority List.

9. CONFLICTING AGREEMENT

9.01 The Employer agrees not to enter into any agreement or a contract with employees covered by this Agreement, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement, or any Statute of the Province of British Columbia or Canada.

9.02 The Employer agrees that before effecting any wage rate other than those set out in this Agreement, it shall first negotiate same with the Union Agent in accordance with the applicable section of this Agreement.

10. PROTECTION OF RIGHTS

10.01 The Employer shall not require any Union member to cross a legal picket line or to accept any product or goods from any person or employees of any person with whom a Union has a legal picket or legal placard line around or against, to handle or to deliver any product or goods to any person or employees of any person with whom a Union has a legal picket or legal placard line around or against.

10.02 All Union dues and Health & Welfare Plan premiums are deemed to be Trust monies and shall be paid to the party entitled thereto not later than the due date.

11. TRANSFER OF TITLE OR INTEREST

11.01 This Agreement shall be binding upon the parties hereto, their successors, administrators, executors, and assigns. In the event the entire operation or any part thereof is sold, leased, transferred, or taken over by sale, transfer, lease assignment, receivership, or bankruptcy proceeding such operation shall continue to be subject to the terms and conditions of this Agreement for the life thereof.

11.02 The Employer shall give notice of the existence of this Agreement to any purchaser, transferee, lessee, or assignee of the operation covered by this Agreement or any part thereof. Such notice shall be in writing and a copy thereof shall be delivered to the Union immediately the Employer executes the contract of sale, lease or transfer. The Union shall also be informed of the nature of the transaction, not including financial details.

12. GRIEVANCE PROCEDURE

12.01 Any complaint, disagreement or difference of opinion between the Employer, the Union or the employees covered by this Agreement, which concerns the interpretation or application of the terms and provisions of this Agreement, shall be considered a grievance.

12.02 Any employee, the Union or the Employer may present a grievance. Any grievance which is not presented within fifteen (15) days following the event giving rise to such grievance shall be forfeited and waived. This provision shall not be used to deny any employee his or her rights under the Provincial Labour Statutes.

12.03 The Steps of the Grievance Procedure shall be as follows:

STEP I The employee, with or without the Shop Steward shall take his grievance up with the Supervisor. The Employer shall take up his grievance with the employee concerned who shall have the right to have the Shop Steward present.

STEP II Should a solution not be reached by Step I, then a Representative of the Union, accompanied by the employee and the Shop Steward, if the Union wishes, shall discuss the matter with Management.

If no solution is reached, then the grieving party shall submit in writing its contention on the dispute. The other party shall reply in writing within seven (7) days. Failure to respond or failing settlement of the dispute at this stage shall cause the matter to be submitted to Arbitration as set out herein.

Notwithstanding the above, if an authorized Agent of the Union claims a violation of this Agreement, he may invoke the Grievance Procedure at Step II as the grieving party on behalf of the Union or on behalf of any employee or employees concerned.

STEP III The party desiring Arbitration shall appoint a member for the Board and shall notify the other party in writing of its appointment.

The party receiving the notice shall within seven (7) days thereafter, appoint a member for the Board and notify the other party of its appointment.

Failure to appoint their nominee, by either party, the other party who has appointed their nominee shall apply to the Minister of Labour to appoint a nominee on behalf of such party.

STEP IV The Arbitrators so appointed shall confer to select a third person to be Chairman and failing for five (5) days from the appointment of the second of them to agree to a person willing to act, either of them may apply to the Ministry of Labour.

- 12.04 Notwithstanding the foregoing provisions respecting the establishment and jurisdiction of an Arbitration Board, if the parties agree, a Sole Arbitrator shall be chosen to act in the same capacity and having the same powers as a Board of Arbitration.
- 12.05 If the Arbitration Board finds that an employee has been suspended or discharged without proper cause or improperly laid off, that employee shall be reinstated by the Employer without loss of pay and with all his rights, benefits and privileges which he would have enjoyed if the discharge, suspension or improper layoff had not taken place. If an Arbitration Board finds circumstances which in the opinion of the Arbitration Board makes it just and equitable may order the Employer to pay less than the full amount of wages lost.
- 12.06 The Board of Arbitration shall not have any jurisdiction or authority to alter or change any of the provisions of this Agreement, or to give any decision inconsistent with the terms of this Agreement, except where there is a dispute between the parties, regarding the rate of pay for a newly established, or altered classification not provided for herein, or a dispute under 24.02 herein, or a dispute under the Welfare Plan, the Board of Arbitration or Sole Arbitrator shall have the power to deal with such matters and bring down a final and binding award.
- 12.07 Each of the parties hereto will bear the expenses of their nominee and the parties will equally bear the expenses of the Chairman.
- 12.08 Any discharged or suspended employee, within seventy-two (72) hours of his discharge or suspension, shall be given by the Employer, in writing, the reasons for his discharge or suspension, with a copy to be sent to the Union. In the event of any dispute of difference as to whether or not there was proper cause for the discharge or suspension of an employee, only the reasons so set forth in writing shall constitute cause to be argued before an Arbitration Board. Time shall be of the essence and the seventy-two (72) hours to be exclusive of Saturdays, Sundays or General Holidays.
- 12.09 If any adverse statement is to be put into an employee's personnel file, a copy of same will be given to the employee with a copy to the Union within

thirty (30) days of the event giving rise to the statement, otherwise it shall be null and void. In any case, two (2) years from the date of occurrence such statement shall be deleted from the employee's file.

13. JOB POSTING, ETC.

- 13.01 (a) In the event that a classified job becomes vacant or a job classification is created, the Employer shall post a notice on the Bulletin Board notifying that a vacancy, job or classification exists, giving the details of the job, rates of pay, etc. Employees desiring such job shall then apply, in writing, within seventy-two (72) hours of such posting, excluding weekends, except that employees on vacation at such time shall have the privilege of applying when they return. The senior employee applying who has the ability to do the job shall receive such job. Shop Stewards shall be given copies of all job postings.
- (b) Persons hired to perform seasonal sorting work may apply for permanent jobs as they occur. An employee's original date of hire will be used for their seniority date. The probationary period will apply if a permanent job is awarded.
- 13.02 It is understood that employees may apply for lower paid jobs as well as higher paid jobs.
- Employees successfully posting into higher paid jobs will be paid at their current rate of pay or the starting rate of the posted position, whichever is greater.
- Hours cannot be transferred when posting into higher paid jobs. When posting into lateral or lower paid jobs, hours will be transferred.
- 13.03 Any employee promoted into a different classification within the unit shall be allowed a reasonable period of trial, up to thirty (30) days, and if found unsatisfactory shall be returned to his former position and rate of pay without loss of seniority.
- 13.04 Where an employee has been promoted as outlined above, the Employer may then assign another employee in order of seniority and ability, to fill the above employee's former position on an acting basis for a period not exceeding thirty (30) days. Thereafter the Employer must post the job in accordance with this Article.
- 13.05 If the Employer wishes to institute a new job or classification for which there is no wage rate contained in this Agreement the parties shall negotiate wage rates, conditions, etc., for such job or classification. Failure of the parties to agree shall cause the matter to be submitted to Arbitration.
- 13.06 Wherever there is a significant change in job content or working conditions, the parties shall discuss the appropriateness of a rate revision. If agreement

cannot be reached, the matter may be processed through the Grievance Procedure, to a final conclusion.

14. TECHNOLOGICAL CHANGE AND RETRAINING

- 14.01 The Employer shall not introduce or implement any technological change until and unless:
- (a) The Employer has given, where practicable, three (3) months' notice in writing to the Union of its intention to introduce a technological change which would result in a displacement of people.
 - (b) The Employer has given first opportunity to the employees then on the payroll through the Job Posting Procedure, to receive training required by such technological change.
 - (c) The parties agree to an appropriate rate of pay for the job affected by such technological change. If the parties do not agree, the matter shall be settled by Arbitration.

15. SEVERANCE PAY

- 15.01 Employees with one (1) year or more of service with the Employer, whose employment is terminated as a result of technological change, or closure of the whole or any part of the operation or loss of business, shall receive termination pay of one (1) week's pay for each year of service with the Employer to a maximum of twenty-six (26) weeks at the rate of pay the employee was receiving on the date of termination.
- 15.02 Severance pay will not be applicable in the event of lay-off of an employee unless the lay-off without recall exceeds a period of six (6) continuous months or twelve (12) continuous months where the employee has exercised his option to extend seniority in accordance with clause 20.04 (e) of this Agreement.

16. PAY DAY AND PAY STATEMENTS, ETC.

- 16.01 All employees covered by this Agreement shall be paid not less frequently than on a bi-weekly basis, all wages earned by such employees to a day not more than four (4) working days prior to the day of payment.
- 16.02 The Employer shall provide every employee covered by this Agreement on each pay day with an itemized statement in respect of all wage payments. Such statement shall set forth the total hours worked including overtime, the rate of wages applicable and all deductions made from the gross amount of wages.
- 16.03 Where there is an error on a pay cheque this shall be corrected and any monies owing be paid not later than two (2) working days from the date the Employer's payroll official is notified of the error.

16.04 Whenever Canada Savings Bonds are issued for sale, the Employer shall make same available to its employees who desire same and make such deductions as are necessary.

16.05 The Employer shall record on each employee's T-4 slip the total Union dues deducted and submitted on behalf of that employee.

17. ANNUAL VACATIONS

17.01 No later than March 1st of each year, the employer shall post the vacation list on the bulletin board and each employee in order of seniority shall apply for his or her vacations on such list at the time same is desired, and such request must be completed by April 1st each year. The Employer will schedule vacations for those who have not completed their request by April 1st of that year. Once such list is completed vacations shall not be altered except by mutual consent of the employee and the Employer.

17.02 VACATION SHUTDOWN

The Employer shall have the option to shut down his operations and all employees shall be placed on leave for up to a two (2) week period during the period January 1st to April 30th in each calendar year for maintenance and/or major repairs. Employees employed during this period to be by seniority based on ability to do the work required. All employees not employed during this period will be placed on vacation leave for one (1) week and leave-of-absence without pay for one (1) week.

17.03 Vacations shall be scheduled in accordance with the seasonal operations of the business and all vacation leave must be authorized in advance by the Employer.

17.04 New employees hired shall earn the following vacation days prior to the plant shutdown period in their first (1st) year of employment:

Month of Employment	Vacation Days Earned
First	1
Second	2
Third	3
Fourth	4
Fifth	5
Sixth	6
Seventh	7
Eighth	8
Ninth	9
Tenth	10
Eleventh	10
Twelfth	10

- 17.05 During the two (2) week plant shutdown, new employees shall be granted the number of earned vacation days as indicated above plus authorized leave without pay for vacation leave purposes, if required, to cover the shutdown period mentioned above.
- 17.06 An employee's anniversary date of original hiring shall be used as the date to calculate an employee's vacation entitlement and payment.
- 17.07 Employees who have completed one (1) year and up to three (3) years an employee shall receive two (2) consecutive weeks' vacation each year with eighty (80) hours' pay at the rate they were receiving at the date of taking their vacation, or four percent (4%) of their annual gross earnings for the year for which they are receiving their vacation, whichever is the greater.
- 17.08 Employees who have completed three (3) years and up to eight (8) years as an employee shall receive three (3) consecutive weeks' vacation each year with one hundred and twenty (120) hours' pay at the rate they were receiving at the date of taking their vacation, or six percent (6%) of their annual gross earnings for the year for which they are receiving their vacation, whichever is the greater.
- 17.09 Employees who have completed eight (8) years and up to fifteen (15) years as an employee shall receive four (4) weeks' vacation each year with one hundred and sixty (160) hours' pay at the rate they were receiving at the date of taking their vacation, or eight percent (8%) of their annual gross earnings for the year for which they are receiving their vacation, whichever is the greater.
- 17.10 Employees who have completed fifteen (15) years and thereafter shall receive five (5) weeks' vacation each year with two hundred (200) hours' pay at the rate they were receiving at the date of taking their vacation, or ten percent (10%) of their annual gross earnings for the year for which they are receiving their vacation, whichever is the greater.
- 17.11 Employees who have completed twenty-five (25) years as an employee and thereafter shall receive six (6) weeks' vacation each year with two hundred and forty (240) hours' pay at the rate they were receiving at the date of taking their vacation, or twelve percent (12%) of their annual gross earnings for the year for which they are receiving their vacation, whichever is the greater.
- 17.12 Absence due to any illness or authorized leave of absence will be deemed to be time for the purpose of vacation entitlement.
- 17.13 When an employee has been paid a minimum of fifteen hundred (1500) hours in his calendar year, running from anniversary date to anniversary date, he shall be eligible for vacations with pay as above set forth. If less than fifteen hundred (1500) hours have been paid, the employee shall be entitled to vacations as above set forth, however, the applicable percentage rate only shall apply.

- 17.14 In the event that an employee leaves the employ of the Employer before he is entitled to two (2) weeks' vacation, he shall receive four percent (4%) of the gross earnings he received while in the employ of the Employer.
- 17.15 In the event of an employee leaving the employ of the Employer after he had his vacation he earned for the previous year, and has not been paid over fifteen hundred (1500) hours, he shall only receive four percent (4%), six percent (6%), eight percent (8%) or ten percent (10%), as the case may be of his pay for the year in which he ends his employment for which no vacation has been paid.
- 17.16 Prior to an employee going on his vacation, the Employer shall furnish the employee with a statement showing the period for which the employee is receiving his or her vacation pay, how the vacation pay was calculated (i.e. on a percentage basis or weekly wages), and shall include all overtime payment, commissions or anything of a monetary value received from the Employer on which the employee has to pay income tax, and also a cheque for the appropriate vacation pay the employee is entitled to.

18. GENERAL HOLIDAYS

- 18.01 All employees shall be entitled to the following General Holidays with pay based on eight (8) hours at their applicable rate at the time of taking such holiday:

New Year's Day	Good Friday	Victoria Day
Canada Day	B.C. Day	Labour Day
Boxing Day	Christmas Day	Thanksgiving Day
Remembrance Day		

Effective May 1st, 1992, the Employer will institute a "floater" Holiday. The designation of the floater holiday shall be the third Monday in February. The Employer may change the above designated day by notice by July of the preceding year. This "floater" holiday shall apply only to permanent employees who have completed six (6) or more months of service.

- 18.02 If, during the life of this Agreement, Federal or Provincial Governments declare or proclaim any other day than those listed herein as a holiday, then employees shall receive such day off with pay as set out herein in (a) above. To qualify for the above holidays, an employee must have been on the Employer's payroll for not less than thirty (30) days and also must have worked on the last working day before the holiday and the first working day after the holiday.
- 18.03 Exceptions to not working the day before or the day after the holiday are verified sickness, bereavement leave, jury duty, compensation, or authorized vacation leave. These exceptions will not exclude the employee from receiving his regular General Holiday pay.

- 18.04 It is agreed that General Holidays shall take place on the day and date designated as a holiday by the Federal or Provincial Government or on a day mutually agreed to by a majority vote of employees.
- 18.05 An employee shall be paid for each General Holiday, even if it falls on his weekly days off, annual vacation, jury duty, bereavement leave, compensation. The employee shall be given a day off with pay or an extra day's pay as he chooses.
- 18.06 In the case of an absence due to injury or illness on a General Holiday where the employee is receiving payment or Workers' Compensation Board payments, then the Employer shall pay the difference between the regular gross earnings of such employee and what he is receiving from the other source for such General Holiday.
- 18.07 If an employee is laid off within five (5) working days of a General Holiday, the laid off employee shall be paid for the General Holiday in accordance with the terms of Article 18 of this Agreement.

19. SEPARATION OF EMPLOYMENT

- 19.01 If an employee is discharged he shall be paid in full for all monies owing him forthwith.
- 19.02 If an employee quits the Employer may withhold payment for five (5) calendar days.
- 19.03 The Employer shall give a Record of Employment Certificate to any employee who separates from employment for any reason within five (5) days of the last day worked, or terminates.

20. SENIORITY

- 20.01 There shall be a Seniority List setting out the name and date of employment of all employees. Such list must be kept current, and a copy must be supplied to the Union every six (6) months, and one (1) copy posted on the Bulletin Board.
- 20.02 Seniority shall be length of service within the Bargaining Unit. Employment elsewhere with the Employer shall be credited only for calculation of vacation entitlement and pay.
- 20.03 Lay-offs and re-employment shall be based on seniority, that is, the last hired shall be the first laid-off and the last laid-off shall be the first recalled provided always that the senior employee has the ability to perform the work available and is prepared to perform such work.

No full-time employee shall be laid off in favour of seasonal workers, student relief workers, probationary employees, or cherry and strawberry sorters.

20.04 Seniority shall be lost if an employee:

- (a) Voluntarily leaves the employ of the Employer, or
- (b) Is discharged for cause, or
- (c) After a layoff, fails to report for work for five (5) working days after being recalled by telephone and registered letter, or
- (d) If absent without leave for three (3) working days without legitimate reason, or
- (e) Is on continuous lay-off for six (6) months. However, the employee shall have the option of extending his seniority rights for an additional consecutive six (6) months provided he places such request in writing to the Employer prior to the expiry of his first six (6) continuous months of lay-off. Where the employee fails to notify the Employer in writing in the time permitted above, the employee shall automatically lose his seniority rights at the expiry of the first six (6) months. If an employee exercises his option to extend seniority but is not recalled within twelve (12) continuous months from the date he was last laid off, the employee shall lose his seniority rights under this Agreement.

20.05 A probationary period of forty-four (44) days actually worked shall apply in the case of new employees before seniority commences and such employees may be laid-off or terminated by the Employer if it has reasonable cause to do so. The aforesaid number of days must be completed within a period of four (4) calendar months from the original date of hiring. After completion of the probationary period, employees shall be entitled to the rank of seniority as of the date the employee entered the employment of the Employer. The probationary period may be extended by mutual agreement between the Employer and the Union.

21. DAYS AND HOURS OF WORK AND OVERTIME

21.01 Each employee shall be guaranteed eight (8) hours worked each day provided he/she commences work at the start of the shift with a minimum of one half ($\frac{1}{2}$) hour off for lunch. However, in the event of a power failure or other natural act where the business is unable to continue operations, employees who have reported to work that day shall receive a minimum of four (4) hours pay. The work week shall be scheduled from Monday to Friday inclusive during which time the employee shall normally work forty (40) hours.

The Employer shall guarantee a minimum of four (4) hours work or pay for employees called-in on a given day as a replacement for a scheduled employee who for whatever reason is absent from work that day.

21.02 Time worked in excess of the normal hours of work as herein specified shall be considered as overtime and overtime rates of pay shall be as follows:

- (a) All overtime work authorized and worked on an employee's regular scheduled working day shall be paid at the rate of time and one-half ($1\frac{1}{2}T$) for the first two (2) hours and double time (2T) thereafter.

- (b) All overtime work authorized and worked on an employee's first day of rest (Saturday) shall be paid at the rate of time and one-half ($1 \frac{1}{2}$ T) for the first four (4) hours and double time (2T) thereafter.
- (c) All overtime work authorized and worked on an employee's second day of rest (Sunday) shall be paid at the rate of double time with a minimum guarantee of two (2) hours' pay at double time (2T).
- (d) Overtime authorized and worked on a General Holiday as outlined in this Agreement shall be paid for at the rate of time and one-half ($1 \frac{1}{2}$ T) for all hours worked on such day and an employee shall also be entitled to straight time for the General Holiday as outlined in Article 18 of this Agreement.

- 21.03 If an employee reports for work late, that employee will only be paid from the time he commences work.
- 21.04 Any employee called back to work in an emergency, after his scheduled shift has been completed, and he has left the premises, shall be paid a minimum of two (2) hours' pay at the rate of double (2T) time.
- 21.05 All daily shifts shall be scheduled in advance and a schedule posted on the Notice Board showing the hours of work and no split shifts shall be allowed at any time.
- 21.06 The Employer agrees that if it becomes necessary to work overtime, such overtime will be distributed as equally as possible amongst those employees concerned who normally perform such work.
- 21.07 Employees may refuse to work overtime for good and sufficient reason, but cannot refuse in concert. It is also understood that short periods of overtime of up to one-half ($\frac{1}{2}$) hour to finish up a job will not be refused except in most exceptional circumstances.
- 21.08 The Employer shall give to each employee whose shift is to be changed a minimum of twenty-four (24) hours advance notice prior to such shift change becoming applicable or eight (8) hours pay in lieu thereof.
- 21.09 All employees working with tools shall be allowed sufficient time during working hours to return tools, parts, etc. to the Stores or Crib before the end of each shift.
- 21.10 All employees engaged in "dirty" work (i.e. work in which an employee gets dirty to the point where he would require a longer washup period to get clean), such employees shall receive a paid five (5) minute washup period.
- 21.11 All employees shall be entitled to bank their overtime based on a formula of one (1) hour worked at time and one-half ($1 \frac{1}{2}$) gives one and one-half ($1 \frac{1}{2}$) hours off and one (1) hour worked at double time gives two (2) hours off. All

time off to be taken at a time mutually convenient to both Management and the employees.

- 21.12 The standard working time for all employees shall comprise any continuous eight and one-half (8 ½) hour period beginning at or after 6:00 A.M. and ending at or before 6:30 P.M., including one-half (½) hour for an unpaid lunch.

Any shift commencing prior to the regular starting time or ending after the regular quitting time as specified above shall be paid a premium of twenty-five cents (25¢) for all hours worked prior to or after standard working times.

22. LUNCH AND REST PERIODS

- 22.01 No employee shall be worked longer than five (5) hours without at least an uninterrupted one-half (½) hour off during the regular daily shift, exclusive of rest breaks. The Employer may regulate the lunch breaks to ensure that staff is on duty at all times.

- 22.02 Each employee shall receive an uninterrupted fifteen (15) minute break in each half of his daily shift. The time for said breaks to be determined by Management. However such shall not be scheduled earlier than one and one-half (1 ½) hours from the commencement of each half of an employee's work shift.

- 22.03 When employees work two (2) hours of overtime immediately following the completion of the normal work day, the employee shall receive a break of thirty (30) minutes without pay but shall receive a meal allowance of \$8.00 to be paid at the time of the said break.

23. COMPENSATION COVERAGE

- 23.01 When an employee is injured at work and goes on compensation, he or she shall when the Compensation Board signifies that the employee may go to work, be returned to the payroll at his previous job and rate of pay for a period of one (1) week to see if he or she is able to do the job he or she held at the time of the injury.

- 23.02 If, after that time, it is proven to the Employer the employee is unable to do the job the employee held at the time of injury, the Employer will try to place the employee in a job which said employee can do. If this is impractical, then the employee shall be entitled to one (1) week's notice.

24. SAVINGS CLAUSE

24.01 If any Article or Section of this Agreement should be held invalid by operation of law or by a tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal, pending a final determination as to its validity, the remainder of this Agreement or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

24.02 In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of the Union or Employer for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the parties do not agree on a mutually satisfactory replacement, they may submit the dispute to the Grievance Procedure as in Article 12 herein.

25. INSPECTION PRIVILEGES

25.01 Upon making his presence known to management, an authorized agent of the Union shall have access to bargaining unit areas of the Employer's establishment during working hours provided that operations are not unnecessarily interfered with.

26. SANITARY FACILITIES, ETC.

26.01 The Employer agrees to maintain clean, sanitary washrooms having hot and cold running water and proper hand cleanser and towels in sufficient quantity, with toilet facilities, and employees shall observe the simple rules of cleanliness and good housekeeping in these facilities.

26.02 Clothes closets or lockers of a suitable size for the protection of employees' clothes and personal belongings shall also be provided.

26.03 The Warehouse and Plant shall be adequately heated and ventilated.

27. SAFETY AND HEALTH

27.01 Any employee who considers that any equipment or practice being carried out within the premises is unsafe, shall have the right to speak to management about the matter. If the situation is not corrected within a reasonable period of time, the matter may be considered the cause for a grievance to be handled through the grievance procedure.

27.02 In the event of an employee becoming ill during his shift, the employee shall report directly to his Supervisor, and if the employee wishes to go home or to a doctor permission to do so will be granted.

27.03 If the Employer requests any employee to take a First-Aid course, the Employer shall upon successful completion reimburse the said employee for the full cost of the fees and course expenses (receipts must be presented).

Premiums to be paid as follows:

Twenty-five cents (25¢) per hour premium for Class 1 Qualified Attendant
Forty-five cents (45¢) per hour premium for Class 2 Qualified Attendant
Sixty-five cents (65¢) per hour premium for Class 3 Qualified Attendant

There shall be two (2) First Aid Attendants with the required certifications based on their seniority.

27.04 The Employer will maintain a Joint Health and Safety Committee in accordance with Workers' Compensation Board Regulations.

28. MANAGEMENT

28.01 The Employer has the exclusive control, management and direction of its operations, facilities and employees and in exercising its rights and powers, it shall not be done in conflict with any provision of this Agreement.

29. HEALTH & WELFARE PLAN

29.01 The Employer shall pay 100% of the monthly premiums for the Medical Services Plan (M.S.P.) and the Extended Health Benefits. The Employer will implement a Pay Direct Drug Card for medical drug expenses when the card is made available by the benefits carrier.

29.02 In addition to the foregoing, the Employer shall pay 100% of the monthly premium for Life Insurance at one times earnings and Accidental Death and Dismemberment at one times earnings and:

Weekly Indemnity Income - 66 2/3rd of an employee's weekly salary to the E.I. maximum

Long Term Disability - 75% of an employee's monthly salary to a maximum of \$1,400.00 per month.

29.03 During the life of this Agreement, the Employer will maintain the current Dental Benefits in existence prior to the signing of this Agreement and the Employer shall pay 100% of the cost of premiums.

29.04 After their probationary period is completed, full time employees will be entitled to the Plans.

If an employee is covered under the Medical Services Plan, Extended Health Benefits or under a Dental Plan and such coverage is more advantageous to the employee, the employee will not be enrolled in the Employer's Plans. If

such other coverage ceases or becomes less advantageous then it shall be the employee's responsibility to notify the Employer and to request coverage which the Employer shall then provide immediately.

29.05 The Employer will remit contributions for M.S.P. for one (1) month after an eligible employee has been laid off. The Employer will maintain coverage for all other employee benefits as outlined in Articles 29.01, 29.02 and 29.03 until the end of the current month in which an eligible employee is laid off.

When a full-time employee who has qualified for employee benefits is laid off for less than three (3) months and their benefits have been terminated as a result of this lay-off, upon return to full-time work their benefits will be reinstated effective their date of return.

29.06 **SICK LEAVE**

Effective June 1st, 1981, employees shall commence to earn one-half (½) day's sick leave with pay for each completed month of continuous service with the Employer up to a maximum accumulation of six (6) earned days of sick leave pay. Employees who have unused sick leave remaining at the end of each year shall be paid out to a maximum of three (3) of these unused sick days on the first pay period following December 31st. The balance of unused sick days, if any (to a maximum of three (3) days), shall be carried forward to the next year.

(a) Where an employee has earned sick leave pay days and subsequently becomes ill, the Employer may request satisfactory proof before sick leave with pay will be paid but such proof will be requested prior to the employee returning to work.

(b) If an employee is required to take time off during working hours for medical or dental appointments, the employee will be entitled to use his earned leave pay days provided the Employer may request satisfactory proof of a visit to a doctor or dentist. The employee shall be obliged to commence work prior to the appointment and/or return to work following the appointment, where practicable to complete the remaining work hours in the day. Sufficient notice (minimum two (2) days) is to be given the Employer for dentist/doctor appointments. Employees will not be denied emergency appointments.

30. ARTICLE HEADINGS

30.01 The Article Headings shall be used for purposes of reference only and may not be used as an aid in the interpretation of this Agreement.

31. TRANSPORTATION

31.01 No employee shall be required to use his car on Employer business.

32. MEDICAL EXAMINATIONS

32.01 Any medical examination requested by the Employer shall be complied with, provided however, that the Employer shall pay for all such examinations. The Employer reserves the right to select its own medical examiner or physician and the Union may, if in its opinion it thinks an injustice has been done an employee, have said employee re-examined at the Union's expense.

32.02 When a medical examination is required by the Employer, the following condition shall apply:

If an employee takes a medical examination he shall be paid for the time involved at his regular rate of pay.

32.03 If, following an Employer requested medical examination, any employee is deemed to be physically incapable of carrying out his regularly assigned duties, the following procedure shall be followed:

- (a) The Employer shall notify the Union of the Medical findings in respect to the employee. Should the Union or the employee disagree with said findings, the employee at his own expense shall have the right to be examined by his personal physician.
- (b) Where there is no agreement between the Employer appointed physician and the employee's physician on the condition of the employee, the two (2) physicians shall select a medical consultant to examine the employee with respect to the dispute.
- (c) The findings of the consultant shall be final and binding upon all parties.
- (d) The remuneration of the consultant shall be borne equally by the Employer and the Union.
- (e) Should the consultant deem the employee to be capable of carrying on his assigned duties, then the employee shall not suffer any loss of earnings caused by his having been removed from or temporarily suspended from his regularly assigned duties.

32.04 Where any employee drives a motor vehicle in the course of his employment is required to take a medical examination to verify his right to drive such motor vehicle or to obtain an Air Ticket, the Employer shall, where same is not paid for by any part of the Welfare Plan, pay for such medical examinations.

33. CLASSIFICATIONS AND WAGE RATES, ETC.

- 33.01 The classifications and wage rates for the effective period of this Agreement shall be those as set out in Appendix "A" attached hereto and forming part of this Agreement.
- 33.02 Time shall be computed from the time the employee commences his day's work until his shift is finalized.
- 33.03 When an employee meets with an accident at work, and is unable to continue to perform work, he shall be paid a full day's wages for the day of the accident.
- 33.04 If an employee is required to take time off during working hours to consult a doctor or medical specialist on the insistence of the Workers' Compensation Board, in regard to any compensable injury or illness he has received or incurred on the job, he shall be paid for such time off in a manner that will ensure him a minimum of eight (8) hours' pay for that day. The Employer may require satisfactory proof of the employee's visit to the doctor or medical specialist and the employee shall be obliged to commence work prior to the appointment and return to work following the appointment where practical to complete the remaining hours of his shift.
- 33.05 When an employee is temporarily removed from his regular work for one (1) hour or more, he shall be paid at his regular rate of pay or the rate of the other work, whichever is the greater, for all the time employed on such work and no employee's rate may be reduced below his regular rate.
- 33.06 All work involved in the taking of inventory shall be performed by bargaining unit employees in conjunction with non-bargaining unit personnel.

34. PAID ELECTION TIME OFF

- 34.01 The Employer shall not alter the regular or normal hours of employment of any employee to circumvent either this Agreement or the requirements of Section 48 of the Canada Elections Act and/or Section 200 of the Provincial Elections Act.

35. GENDER

- 35.01 Wherever the use of the male gender is used herein, it shall also apply to the female gender.

36. TOOLS

- 36.01 All tools and equipment required by employees to properly perform the functions of their job shall be furnished by the Employer and shall be its property at all time.

36.02 As a condition of employment, all maintenance employees will be required to supply their own tools. The Employer will, within reason, replace broken or worn out tools presented to the Employer.

37. RETROACTIVE PAY

37.01 The Employer agrees that the wage rates and benefits with the exception of the Health and Welfare Plan shall be paid retroactively to each person from that date for all hours paid subsequent to May 31st, 2006.

38. NO STRIKE OR LOCKOUT

38.01 The parties agree that no employee bound by this Collective Agreement shall strike during the term of this Agreement and no person shall declare or purport to authorize a strike of such employees during the term of this Agreement.

38.02 The parties agree that the Employer bound by this Collective Agreement shall not, during the term of this Agreement, lockout any employee bound by this Agreement.

39. R.R.S.P.

39.01 Effective June 1, 1997 the Employer agrees to a group arrangement for individual employee R.R.S.P.'s. Employees will be eligible to participate in the R.R.S.P. programme upon completion of one (1) year service, except that all current full time employees will be eligible for one percent (1%) if hired prior to June 1, 1997. After one (1) year of service the Employer will contribute matching contributions of one percent (1%) of earnings after two (2) years the matching contribution will be one point twenty-five percent (1.25%) and after three (3) years service the matching contribution will be two percent (2%). Employees will be permitted only one (1) withdrawal per year.

39.02 An employee shall authorize the deduction of his contribution from his pay cheque and this amount, together with the Employer's contribution, shall be forwarded monthly to the plan for credit to the individual's R.R.S.P. account.

APPENDIX "A"

RATES PER HOUR

CLASSIFICATIONS	Effective June 1/06	Effective June 1/07	Effective June 1/08
PROCESSORS			
Lead Hand Processor	\$21.19	\$21.72	\$22.26
Juice Line Process/Operator			
Start	17.18	17.61	18.05
1,001 to 2,500 hours	18.03	18.48	18.94
2,501 to 4,000 hours	19.09	19.57	22.06
4,001 hours plus	19.64	20.13	20.63
Processor			
Start	17.18	17.61	18.05
1,001 to 2,500 hours	18.03	18.48	18.94
2,501 to 4,000 hours	19.09	19.57	20.06
4,001 hours plus	19.64	20.13	20.63
Cook			
Start	17.95	18.40	18.86
1,001 to 2,500 hours	18.80	19.27	19.75
2,501 to 4,000 hours	19.86	20.36	20.87
4,001 hours plus	20.41	20.92	21.44
Cook/Processor Relief			
Start	17.18	17.61	18.05
1,001 to 2,500 hours	18.03	18.48	18.94
2,501 to 4,000 hours	19.09	19.57	20.06
4,001 hours plus	19.64	20.13	20.63
SHIPPER/RECEIVER			
Start	17.18	17.61	18.05
1,001 to 2,500 hours	18.03	18.48	18.94
2,501 to 4,000 hours	19.09	19.57	20.06
4,001 hours plus	19.64	20.13	20.63
PACKER			
Start	13.96	14.31	14.67
1,001 to 2,500 hours	14.68	15.05	15.43
2,501 to 4,000 hours	16.26	16.67	17.09
4,001 hours plus	17.72	18.16	18.61

APPENDIX "A" CONT...

RATES PER HOUR

CLASSIFICATIONS	Effective June 1/06	Effective June 1/07	Effective June 1/08
LABOURER			
Start	13.96	14.31	14.67
1,001 to 2,500 hours	14.68	15.05	15.43
2,501 to 4,000 hours	16.26	16.67	17.09
4,001 hours plus	17.72	18.16	18.61
APPLE MACHINE OPERATOR			
Start	16.10	16.50	16.91
1,001 to 2,500 hours	17.62	18.06	18.51
2,501 to 4,000 hours	18.49	18.95	19.42
4,001 hours plus	18.82	19.29	19.77
MECHANICS			
*Mechanical Lead Hand	23.67	24.26	24.87
Qualified Mechanic (no boiler ticket)	21.82	22.37	22.93
Premium: 4 th Class Steam Eng. - 75¢ per hour			
Student Relief (April 15 to September 15)	10.87	11.14	11.42
Cherry & Strawberry Sorters	9.93	10.18	10.43
Premium: Night Sanitation - 30¢ per hour			

* Employees who post for or are hired to fill these classifications must have prior qualifications.

LETTER OF UNDERSTANDING NO. 1

BETWEEN: **SANDEL FOODS INC.,**
13408 Comber Way,
Surrey, B.C.

(hereinafter referred to as the "Employer")

AND: **TEAMSTERS LOCAL UNION No. 213,**
affiliated with the International
Brotherhood of Teamsters

(hereinafter referred to as the "Union")

The Parties hereby AGREE AND UNDERSTAND that Lou Crippen, who is a principal of Sandel Foods Inc. and excluded by the "Code" as employees shall be permitted to perform bargaining unit work in cases of bona fide emergency or for experimentation to improve efficiency.

In addition, the aforementioned person shall be permitted to assist in the installation and fine tuning of production equipment. In exercising these rights, the Employer agrees that he shall not be used to reduce the regular hours of work of regular employees.

DATED at Vancouver, British Columbia, this day of , 2006.

FOR THE COMPANY:

FOR THE UNION:

LETTER OF UNDERSTANDING NO. 2

BETWEEN: **SANDEL FOODS INC.,**
13408 Comber Way
Surrey, B.C.

(hereinafter referred to as the "Employer")

AND: **TEAMSTERS LOCAL UNION No. 213,**
affiliated with the International
Brotherhood of Teamsters

(hereinafter referred to as the "Union")

The Parties hereby **AGREE AND UNDERSTAND** that persons hired and employed as Seasonal Workers (i.e. persons specifically hired to work 150 regular working days per year or less from and including April 20th to and including December 10th of any year) shall not have access to or coverage under Article 29 - Health and Welfare Plan.

It is also **UNDERSTOOD AND AGREED** that should a Seasonal worker's employment not be severed at the end of the aforementioned period such employee shall be entitled to coverage under all Sections of the collective agreement which shall include Seniority as set out in Article 20.05 (i.e. the employee shall not be deemed to be severed and that employee would carry a seniority date of the first (1st) day of employment subsequent to the previous April 19th).

DATED at Vancouver, British Columbia, this day of , 2006.

FOR THE COMPANY:

FOR THE UNION:

LETTER OF UNDERSTANDING NO. 3

BETWEEN: **SANDEL FOODS INC.,**
13408 Comber Way
Surrey, British Columbia

(hereinafter referred to as the "Employer")

AND: **TEAMSTERS LOCAL UNION No. 213,**
affiliated with the International
Brotherhood of Teamsters

(hereinafter referred to as the "Union")

Re: Lead Hand

The Parties hereby AGREE AND UNDERSTAND that the following new wording shall replace the Job Description and stipulations with respect to the Lead Hand classification in Appendix "A" of the current collective agreement between the parties.

Job Description

Lead Hand - Job Responsibilities

1. Provide direction to packers on job assignments throughout the day.
2. Produce production schedule (as determined by Plant Manager) on computer and distribute to staff.
3. Make computer labels for packers and processing area.
4. Add/edit computer labels for new or existing products.
5. Work with accounting to ensure production tickets and pallet tags are accurate and properly coded.
6. Relieve packers when available to do so.
7. Work with Shipper to make sure that products ready for shipment are properly coded and labelled.
8. Under direction of Quality Control, determine daily sanitation jobs required and assign tasks.

- 9. Work with Purchaser to make sure required packaging materials are available when required.
- 10. Telephone plant personnel to advise them of shift start times.

The job is to be awarded on the basis of experience, aptitude and ability. Where there is no substantial difference between applicants, seniority shall prevail. This position will be paid an hourly wage differential of one dollar and fifty cents (\$1.50) per hour over the base Packer rate. This position will be posted.

DATED AT _____, B.C., this _____ day of _____, 2006.

FOR THE COMPANY:

FOR THE UNION:

LETTER OF UNDERSTANDING NO. 4

BETWEEN: **SANDEL FOODS INC.,**
13408 Comber Way
Surrey, British Columbia;

(hereinafter referred to as the "Employer")

AND: **TEAMSTERS LOCAL UNION No. 213,**
affiliated with the International
Brotherhood of Teamsters

(hereinafter referred to as the "Union")

Re: Cherry and Strawberry Sorting

The Parties agree that:

- 1) This Letter of Understanding will be for the sorting of cull cherries and strawberries.
- 2) No full time employee's rate will be reduced for cherry and strawberry sorting.
- 3) The cherry and strawberry sorting rate will be as per appendix "A".
- 4) This rate is for cherry and strawberry sorting only.

DATED at Vancouver, British Columbia, this day of , 2006.

FOR THE COMPANY:

FOR THE UNION:

LETTER OF UNDERSTANDING NO. 5

BETWEEN: **SANDEL FOODS INC.,**
13408 Comber Way
Surrey, British Columbia;

(hereinafter referred to as the "Employer")

AND: **TEAMSTERS LOCAL UNION No. 213,**
affiliated with the International
Brotherhood of Teamsters

(hereinafter referred to as the "Union")

It is agreed by and between the Parties that the Employer can introduce a seven (7) day continuous operation if the processing and maintenance needs of the business so require. The seven (7) day operation will apply to "processing and maintenance" only. All other employees will work Monday to Friday as per Article 21 (21.01). In the event the Employer decides to go on a continuous operation, the seven (7) day week will apply with no consideration to Saturdays or Sundays which shall become normal work days, and the normal work week shall be five (5) consecutive, eight (8) hour days which may include a Saturday or a Sunday but not both.

The exception to the above will be that one individual with a boiler ticket may be required to work both Saturday and Sunday.

In the event the Employer decides to go on a continuous operation only in the processing department, the seven (7) day week will apply with no consideration to Saturdays and Sundays which shall become normal work days, and the normal work week shall be five (5) consecutive eight (8) hours days or four (4) consecutive then (10) hour days which may include a Saturday or a Sunday but not both.

If the four (4) consecutive ten (10) hour days operation applies, all overtime work authorized and worked during employee's time-off period shall be paid at the rate of time and one-half (1½ T) for the first four (4) hours and double time (2T) thereafter. The sick leave and Statutory Holidays pay shall be based on ten (10) hours at employee's applicable rate at the time of taking such leave.

DATED at Vancouver, British Columbia, this day of , 2006.

FOR THE COMPANY:

FOR THE UNION:

LETTER OF UNDERSTANDING NO. 6

BETWEEN: **SANDEL FOODS INC.,**
13408 Comber Way,
Surrey, British Columbia;

(hereinafter referred to as the "EMPLOYER")

AND: **TEAMSTERS LOCAL UNION No. 213,**
affiliated with the International
Brotherhood of Teamsters

(hereinafter referred to as the "UNION")

Re: Cleanup

The Parties agree that:

- 1) This Letter of Understanding will be for weekend cleanup;
- 2) Scope of cleanup will be warehouse and yard;
- 3) This position will not displace full-time employees at any time or result in any lay-off of full-time employees.
- 4) Position will be part-time for Saturday and/or Sunday cleanup only.
- 5) Cleanup rate will be: Effective June 1, 1997 - \$11.86 per hour.
- 6) Cleanup position for the period June to December.
- 7) This rate is for cleanup only.

DATED AT Vancouver, British Columbia, this day of , 2006.

FOR THE COMPANY:

FOR THE UNION:

LETTER OF UNDERSTANDING NO. 7

BETWEEN: **SANDEL FOODS INC.,**
13408 Comber Way,
Surrey, British Columbia;

(hereinafter referred to as the "EMPLOYER")

AND: **TEAMSTERS LOCAL UNION No. 213,**
affiliated with the International
Brotherhood of Teamsters

(hereinafter referred to as the "UNION")

Re: PRODUCTIVITY BASED INCENTIVE PROGRAM

The Parties agree that Management, staff and the Union Representative will participate in a feasibility study to ascertain strengths, weaknesses and benefits of such a program. Whenever meetings are held to discuss such a program, the Union Representative may request the Minutes Summary. No program will be implemented until the Company and the Union have come to an agreement on how it will be applied. If and when a program is agreed to and implemented, the Employer may not at any time upon cancellation of the program use any of the production figures to discipline any employee.

DATED AT Vancouver, British Columbia, this day of , 2006

FOR THE COMPANY:

FOR THE UNION:

